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WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 • BLSinfoSF@bls.gov • www.bls.gov/regions/west

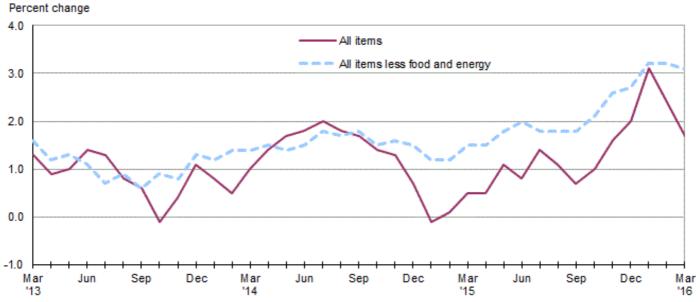
Media contact: (415) 625-2270

Consumer Price Index, Los Angeles area — March 2016 Area prices were up 0.3 percent over the past month, up 1.7 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.3 percent in March, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) Assistant Commissioner for Regional Operations Richard Holden noted that the March increase was influenced by higher prices for gasoline and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 1.7 percent. (See <u>chart 1</u> and <u>table A</u>.) Energy prices dropped 12.7 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy increased 3.1 percent over the year. (See <u>table 1</u>.)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, March 2013-March 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices decreased 0.6 percent for the month of March. (See <u>table 1</u>.) Prices for food at home decreased 0.9 percent, and prices for food away from home moved moved down 0.2 percent for the same period.

Over the year, food prices rose 1.5 percent. Prices for food away from home advanced 4.0 percent since a year ago, but prices for food at home declined 0.3 percent.

Energy

The energy index increased 4.4 percent over the month. The increase was mainly due to higher prices for gasoline (8.8 percent). Prices for electricity were unchanged, while prices for natural gas service decreased 3.8 percent for the same period.

Energy prices dropped 12.7 percent over the year, largely due to lower prices for gasoline (-19.4 percent). Prices paid for natural gas service decreased 4.5 percent, and prices for electricity declined 1.1 percent during the past year.

All items less food and energy

The index for all items less food and energy rose 0.2 percent in March. Higher prices for shelter (0.7 percent) and education and communication (0.6 percent) were partially offset by lower prices for medical care (-1.7 percent) and apparel (-1.2 percent).

Over the year, the index for all items less food and energy increased 3.1 percent. Components contributing to the increase included medical care (6.5 percent) and shelter (4.3 percent). Partly offsetting the increases were price declines in household furnishings and operations (-0.6 percent) and education and communication (-0.4 percent).

Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)

	2011		2012		2013		2014		2015		2016	
Month	Monthly	Annual										
January	0.9	1.8	0.8	2.1	0.8	2.0	0.5	0.8	-0.3	-0.1	0.7	3.1
February	0.5	2.3	0.5	2.1	0.7	2.2	0.5	0.5	0.7	0.1	0.0	2.4
March	1.1	3.0	1.0	2.0	0.1	1.3	0.6	1.0	1.0	0.5	0.3	1.7
April	0.5	3.3	0.0	1.5	-0.4	0.9	0.0	1.4	-0.1	0.5		
May	0.0	3.1	0.1	1.6	0.1	1.0	0.4	1.7	1.0	1.1		
June	-0.4	2.9	-0.4	1.6	-0.1	1.4	0.1	1.8	-0.3	0.8		
July	-0.4	2.4	-0.1	1.9	-0.1	1.3	0.1	2.0	0.7	1.4		
August	0.2	2.4	0.6	2.3	0.1	0.8	-0.1	1.8	-0.3	1.1		
September	0.5	3.1	0.4	2.2	0.2	0.6	0.0	1.7	-0.4	0.7		
October	0.0	2.8	0.8	3.0	0.1	-0.1	-0.1	1.4	0.2	1.0		
November	-0.1	3.0	-1.0	2.1	-0.5	0.4	-0.7	1.3	0.0	1.6		
December	-0.5	2.2	-0.7	1.9	0.0	1.1	-0.5	0.7	-0.1	2.0		

The April 2016 Consumer Price Index for the Los Angeles-Riverside-Orange County area is scheduled to be released on May 17, 2016.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17 a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Jan. 2016	Feb. 2016	Mar. 2016	Mar. 2015	Jan. 2016	Feb. 2016	
Expenditure category							
All items	247.155	247.113	247.873	1.7	0.3	0.3	
All items (1967=100)	730.207	730.081	732.326	-	-	-	
Food and beverages	251.903	253.685	251.983	1.5	0.0	-0.7	
Food	252.083	253.784	252.276	1.5	0.1	-0.6	
Food at home	258.072	259.695	257.293	-0.3	-0.3	-0.9	
Food away from home	240.923	242.695	242.309	4.0	0.6	-0.2	
Alcoholic beverages	234.369	237.203	232.810	0.6	-0.7	-1.9	
Housing	272.241	273.047	274.461	3.4	0.8	0.5	
Shelter	309.527	310.774	312.834	4.3	1.1	0.7	
Rent of primary residence (1)	324.583	325.509	327.213	4.4	0.8	0.5	
Owners' equiv. rent of residences (1) (2)	321.183	322.226	324.010	3.9	0.9	0.6	
Owners' equiv. rent of primary residence (1) (2)	321.164	322.208	323.991	3.9	0.9	0.6	
Fuels and utilities	294.663	295.788	294.079	-0.4	-0.2	-0.6	
Household energy	259.428	259.039	256.816	-1.9	-1.0	-0.9	
Energy services (1)	258.261	257.877	255.612	-1.8	-1.0	-0.9	
Electricity (1)	301.034	300.681	300.681	-1.1	-0.1	0.0	
Utility (piped) gas service (1)	205.093	204.573	196.839	-4.5	-4.0	-3.8	
Household furnishings and operations	117.049	116.170	116.467	-0.6	-0.5	0.3	
Apparel	109.239	116.730	115.327	4.0	5.6	-1.2	
Transportation	192.534	185.554	190.285	-5.7	-1.2	2.5	
Private transportation	187.604	180.257	185.199	-5.7	-1.3	2.7	
Motor fuel	223.372	191.643	208.369	-19.5	-6.7	8.7	
Gasoline (all types)	218.785	187.573	204.098	-19.4	-6.7	8.8	
Gasoline, unleaded regular (3)	219.173	187.470	204.218	-19.7	-6.8	8.9	
Gasoline, unleaded midgrade (3) (4)	209.295	181.278	195.380	-19.0	-6.6	7.8	
Gasoline, unleaded premium (3)	208.928	180.614	196.381	-18.0	-6.0	8.7	
Medical care	445.247	457.056	449.147	6.5	0.9	-1.7	
Recreation (5)	108.878	107.655	106.944	4.0	-1.8	-0.7	
Education and communication (5)	146.789	144.245	145.086	-0.4	-1.2	0.6	
Other goods and services.	390.459	392.085	389.418	2.0	-0.3	-0.7	
Commodity and service group							
All items.	247.155	247.113	247.873	1.7	0.3	0.3	
Commodities	175.053	173.879	174.717	-1.7	-0.2	0.5	
Commodities less food & beverages	134.833	132.515	134.345	-4.1	-0.4	1.4	
Nondurables less food & beverages	174.709	169.987	173.393	-5.4	-0.8	2.0	
Durables	95.761	95.816	96.090	-2.0	0.3	0.3	
Services.	311.291	312.265	312.952	3.7	0.5	0.2	
Special aggregate indexes							
All items less medical care	238.525	238.028	239.117	1.4	0.2	0.5	
All items less shelter	220.019	219.387	219.558	0.1	-0.2	0.1	
Commodities less food	139.132	136.919	138.610	-3.9	-0.4	1.2	
Nondurables	214.140	212.307	213.437	-1.7	-0.3	0.5	
Nondurables less food	180.331	175.929	178.984	-4.9	-0.7	1.7	
Services less rent of shelter (2)	322.629	323.216	321.891	2.8	-0.2	-0.4	
Services less medical care services	299.771	299.917	301.292	3.4	0.5	0.5	
Energy	238.041	218.222	227.738	-12.7	-4.3	4.4	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued

		Indexes		Percent change from-			
Item and Group	Jan. 2016	Feb. 2016	Mar. 2016	Mar. 2015	Jan. 2016	Feb. 2016	
All items less energy			_		0.6 0.7	0.0 0.2	

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means

NOTE: Index applies to a month as a whole, not to any specific date.

⁽²⁾ Index is on a December 1982=100 base.

⁽³⁾ Special index based on a substantially smaller sample.

⁽⁴⁾ Indexes on a December 1993=100 base. (5) Indexes on a December 1997=100 base.

⁻ Data not available